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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 26325-B **FLD**

October 1, 2007

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Mr. Vernon A. Williams
Secretary
Surface Transportation Board
395 "E" Street, S.W.
Washington, D.C. 20423-0001

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Mortgage, dated as of October 1, 2007, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Railcar Lease previously filed with the Board under Recordation Number 26325.

The names and addresses of the parties to the enclosed document are:

Secured Party: Wells Fargo Bank Northwest, National
Association
299 South Main Street, 12th Floor
Salt Lake City, Utah 84111

Debtor: AllCapital Rail 2007-1, LLC
153 East 53rd Street, 55th Floor
New York, New York 10022

The CIT Group/Equipment Financing, Inc.
October 1, 2007
Page 2

A description of the railroad equipment covered by the enclosed document is:

94 coal hopper cars: GALX 6001 - GALX 6095 (except GALX 6028).

A short summary of the document to appear in the index is:

Memorandum of Mortgage.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

RECORDATION NO.

26325-B
FILED

OCT 01 '07

-5 4 5 PM

EXECUTION

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF MORTGAGE

Memorandum of Mortgage, made and entered into as of October 1, 2007 between ALLCAPITAL RAIL 2007-1, LLC, (the "Debtor") and WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION, not in its individual capacity but solely as Security Trustee under the Security Agreement referred to below (together with its successors and permitted assigns, the "Secured Party"). Terms used in this instrument have the meanings assigned thereto in the Security Agreement dated as of June 28, 2007 (as supplemented, including by Security Agreement Supplement No. 2 dated the date hereof, the "Security Agreement") between the Secured Party and the Debtor.

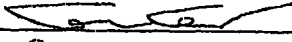
WITNESSETH:

The undersigned have entered into the Security Agreement, by which the Debtor has granted a security interest in certain railroad equipment bearing reporting marks and road numbers as listed on Exhibit A attached hereto and in each lease referred to on Exhibit B attached hereto to the Secured Party in order to secure the Debtor's performance of its obligations as described in the Security Agreement.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

ALLCAPITAL RAIL 2007-1, LLC

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION, not in its
individual capacity but solely as Security Trustee

By 
Name: Colum Carr
Title: Manager

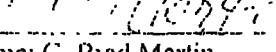
By _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

ALLCAPITAL RAIL 2007-1, LLC

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION, not in its
individual capacity but solely as Security Trustee

By _____
Name:
Title:

By 
Name: G. Brad Martin
Title Assistant Vice President

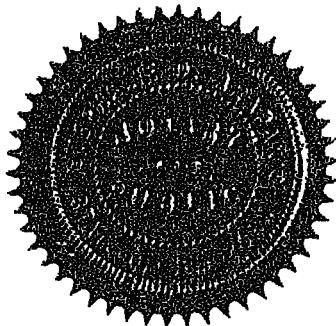
STATE OF New York)
COUNTY OF New York) ss.:

On the 27th day of September in the year 2007 before me personally came Colum Carr to me known, who, being by me duly sworn, did depose and say that he/she/they reside(s) at 153 E. 53rd St NY NY 10022; that he/she/they is (are) the Manager (~~president or other officer or director or attorney-in-fact~~) duly appointed of the Debtor, the corporation described in and which executed the above instrument; and that he/she/they signed his/her/their name(s) thereto by authority of the board of directors of said corporation.

Stephanie D. Arapakis
Notary Public

[Notarial Seal]

STEPHANIE D. ARAPAKIS
NOTARY PUBLIC-STATE OF NEW YORK
No. 01AR6147175
Qualified in New York County
My Commission Expires May 30, 2010

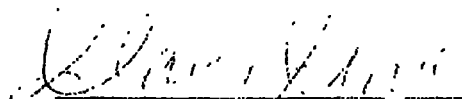


STATE OF UTAH)

)ss

COUNTY OF SALT LAKE)

On the __ day __, 2007, personally appeared before me G Brad Martin who being by me duly sworn did say, for himself, that he the said G Brad Martin is an Assistant Vice President of Wells Fargo Bank Northwest, National Association and that the within and foregoing instrument was signed in behalf of said association by authority of a resolution of its Board of Directors.



Notary Public

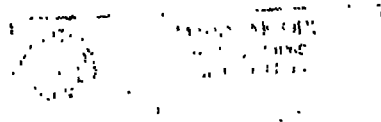


EXHIBIT A

Ninety-four (94) 4,200 c.f. aluminum bottom discharge coal hoppers bearing the following rail car marks and numbers:

GALX 6001 through GALX 6027, inclusive and GALX 6029 through GALX 6095, inclusive

EXHIBIT B

Master Net Railcar Lease, dated as of February 2, 2006, by and between The CIT Group/Equipment Financing, Inc., as Lessor and Dial & Companies, Inc., as Lessee, but only to the extent relating to Schedule No. 01 thereto (the "Lease").

Schedule No. 01 to the Lease, dated as of February 2, 2006, by and between The CIT Group/Equipment Financing, Inc., as Lessor, and Dial & Companies, Inc., as Lessee.

Sublease Assignment and Security Agreement, dated as of February 2, 2006, by and between The CIT Group/Equipment Financing, Inc., as Assignee and Dial & Companies, Inc., as Assignor.

Letter Agreement, dated January 31, 2006, by and among The CIT Group/Equipment Financing, Inc., Dial & Companies, Inc. and Georgia Power Company, as sublessee.

CERTIFICATION

I, Robert W. Alvord, an attorney licensed to practice in the District of Columbia and the State of New York, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: October 1, 2007

A handwritten signature in black ink, appearing to read 'R. Alvord', written over a horizontal line.

Robert W. Alvord